

Internal Revenue Service

Department of the Treasury

Southwest Region

Address any reply to Appeals Office:
Room 12B25, 1100 Commerce St.,
Dallas, Texas 75242

Person to Contact:

[REDACTED]

Telephone Number:

[REDACTED]

Refer Reply to:

[REDACTED]

Date: FEB 1983

CERTIFIED MAIL

[REDACTED]

Dear Sir or Madam:

This is a final adverse determination with respect to your exempt status under section 501(c)(3) of the Internal Revenue Code.

The adverse determination was made because you are not organized and operated exclusively in furtherance of one or more of the exempt purposes described in I.R.C. section 501(c)(3) and the regulations promulgated thereunder. Further, a substantial part of your activities is attempting to influence legislation. Additionally, the documents submitted by or on behalf of the organization indicate that earnings of the organization have and will inure to the benefit of individuals rather than the public.

Contributions made to your organization are not deductible under section 170 of the Internal Revenue Code.

You are required to file Federal income tax returns with your Key District Director for exempt organization matters for taxable years for which the filing date of the appropriate return has passed. These returns should be filed within 30 days of the date of this letter, unless a request for extension of time is granted. Please send them to the attention of the EP/EO Division, attach a copy of this letter, and address any requests for time extensions to the EP/EO Division. Processing of an income tax return and assessing any taxes due will not be delayed because a petition for a declaratory judgment has been filed under section 7428 of the Internal Revenue Code.

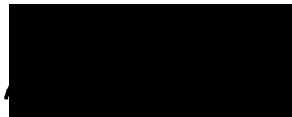
We will notify the appropriate state officials, as required by section 6104(c) of the Code, that based on the information we have available, we are unable to recognize you as an organization described in section 501(c)(3) of the Internal Revenue Code for the period mentioned.

If you decide to contest this determination in court, a petition for a declaratory judgment proceeding in the United States Tax Court, the United States Court of Claims, or the United States District Court for the District of Columbia must be filed within 90 days from the date this determination was mailed to you. Contact the Clerk of the appropriate court for rules for filing petitions for declaratory judgment. For more information, please see the declaratory judgment section of the enclosed Publication 892.

If you have any questions, please contact the person whose name and telephone number are shown in the heading of this letter.

Thank you for your cooperation.

Sincerely yours,

A solid black rectangular box used to redact the signature of the Associate Chief, Appeals.

Associate Chief, Appeals

Enclosure:
Publication 892

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

NOTICE

Dear Applicant:

We have considered your application for recognition of exemption from Federal income tax under section 501(c)(3) of the Internal Revenue Code.

The evidence you submitted shows that you were incorporated [REDACTED], under the laws of the State of [REDACTED].

Your Articles of Incorporation state that you are organized exclusively for charitable and educational purposes.

Your news pamphlet states that your President, [REDACTED], accused [REDACTED] State Judge [REDACTED] of "...violating 18 U.S. Constitutional Rights of [REDACTED], and ...sued for these violations... then Federal Judge [REDACTED] did grant State Judge [REDACTED] his immunity from... our U.S. Constitution, and did dismiss the ... suit...without a jury trial or due process of law". The pamphlet makes several statements about judges and courts in general: "...Judges have made themselves immune from the law! ... The Courts have become so entangled with injustices and God like rule over the U.S. Constitution, that they do violate the Constitution... they have created an oligarchy ruled by Judges and the Bar Association. You state that you are "...dedicated to the re-establishment of our U.S. Constitutional Rights..." and "If you believe in the U.S. Constitution and our [REDACTED] Government, YOU MUST STAND UP AND BE COUNTED, while we still have a chance to bring them back! We must not allow such willful and flagrant violations of our rights to continue."

You state that the corporation "...is presently unable to help in the case of [REDACTED] V. Judge [REDACTED], but when it is able to help, it will do so."

Your letter to Congressmen states in part:

"If you agree that judges should not be immune from the law, then help us put through legislation which will force them to abide by the U.S. Constitution and their oath of office."

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	[REDACTED]					
	12/16/81					

Therefore, Judges have appointed themselves to be Congressmen and have used this power to make themselves immune from the law. Do you Congressmen want the judges to steal your power from you and destroy the Constitution?"

You state, "Our primary goal is to enforce the U.S. Constitution in all branches of Government. The judges are merely the first ones to be considered or worked on."

You state that you "...will start distributing information on constitutional violations as soon as we find out...and...continue...until... violations have been stopped...if we learn of a violation before, or during a campaign we may inform the public, without regard to their political affiliations." However, "...if a judge stands up for the Constitution against overwhelming odds, we may publicly praise him."

Section 501(c) of the Code describes certain organizations exempt from Federal income tax under section 501(a) and reads, in part, as follows:

"(3)Corporations, *** fund, or foundation, organized and operated exclusively for religious, charitable, scientific, *** literary, or educational purposes, or to foster national or international amateur sports competition (but only if no part of its activities involved the provision of athletic facilities or equipment), or for the prevention of cruelty to children or animals, no part of the net earnings which inures to the benefit of any private shareholder or individual, no substantial part of the activities of which is carrying on propaganda, or otherwise attempting, to influence legislation (except as otherwise provided in subsection (h)), and which does not participate in, or intervene in (including the publishing or distributing of statements), any political campaign on behalf of any candidate for public office."

Section 1.501(c)(3)-1 of the regulations provides, in part, as follows:

"(c)(2)Distribution of earnings. An organization is not operated exclusively for one or more exempt purposes if its net earnings inure in whole or in part to the benefit of private shareholders or individuals."

"(c)(3)(i) An organization is not operated exclusively for one or more exempt purposes if it is an "action" organization as defined in subdivisions (ii), (iii), or (iv) of this subparagraph."

"(c) (3) (ii) An organization is an "action" organization if a substantial part of its activities is attempting to influence legislation by propaganda or otherwise. For this purpose, an organization will be regarded as attempting to influence legislation if the organization:

- (a) Contacts, or urges the public to contact, members of a legislative body for the purpose of proposing, supporting, or opposing legislation; or
- (b) Advocates the adoption or rejection of legislation.

"(c) (3) (iii) An organization is an "action" organization if it participates or intervenes, directly or indirectly, in any political campaign on behalf of or in opposition to any candidate for public office. The term "candidate for public office" means an individual who offers himself, or is proposed by others, as a contestant for an elective public office, whether such office be national, State, or local. Activities which constitute participation or intervention in a political campaign on behalf of or in opposition to a candidate include, but are not limited to, the publication or distribution of written or printed statements or the making of oral statements on behalf of or in opposition to such a candidate."

"(c) (3) (iv) An organization is an "action" organization if it has the following two characteristics: (a) Its main or primary objective or objectives (as distinguished from its incidental or secondary objectives) may be attained only by legislation or a defeat of proposed legislation; and (b) it advocates, or campaigns for, the attainment of such main or primary objective or objectives as distinguished from engaging in nonpartisan analysis, study, or research and making the results thereof available to the public. In determining whether an organization has such characteristics, all the surrounding facts and circumstances, including the articles and all activities of the organization, are to be considered."

"(d) (1) (ii) An organization is not organized or operated exclusively for one or more of the purposes specified in subdivision (i) of this subparagraph unless it serves a public rather than a private interest. Thus, to meet the requirement of this subdivision, it is necessary for an organization to establish that it is not organized or operated for the benefit of private interests such as designated individuals, the creator or his family, shareholders of the organization, or persons controlled, directly or indirectly, by such private interests."

"(d) (3) (1) In General. The term "educational", as used in section 501(c) (3), relates to-

- (a) The instruction or training of the individual for the purpose of improving or developing his capabilities; or**
- (b) The instruction of the public on subjects useful to the individual and beneficial to the community.**

An organization may be educational even though it advocates a particular position or viewpoint so long as it presents a sufficiently full and fair exposition of the pertinent facts as to permit an individual or the public to form an independent opinion or conclusion. On the other hand, an organization is not educational if its principal function is the mere presentation of unsupported opinion.

Revenue Ruling 68-263, published in Cumulative Bulletin 1968-1, page 256, ruled that an organization does not qualify for exemption "...where a substantial part of its activities is the distribution of publications that seek to discredit particular institutions and individuals on the basis of unsupported opinions and incomplete information about their affiliations and activities."

You advocate your own interpretation of the Constitution with no explanation of differing views and seek to discredit individuals and the judicial institutions by accusing them of willful violations. Your activities are not educational.

You intend to intervene in political campaigns and a substantial part of your activities consist of efforts to influence legislation. Your primary objective, at this time, is elimination of judicial immunity and this may be attained only by legislation. You are an "action" organization.

It appears that this organization may have been formed as a result of court decisions adverse to your President, [REDACTED], and you indicate an intention to help [REDACTED] with his court cases.

Based on the information you furnished, we have determined that you are not exempt as an organization described in Code section 501(c) (3). It follows, therefore, that contributions to your organization are not tax deductible and that you are required to file Federal income tax returns on Form 1120.

If you do not agree with these conclusions, you may, within 30 days from the date of this letter, file in duplicate a brief of the facts, law,

[REDACTED]

and argument that clearly sets forth your position. If you desire an oral discussion of the issue, please indicate this in your protest. The enclosed Publication 892 gives instructions for filing a protest.

If you do not file a protest with this office within 30 days of the date of this report or letter, this proposed determination will become final.

If you do not protest this proposed determination in a timely manner, it will be considered by the Internal Revenue Service as a failure to exhaust available administrative remedies. Section 7428(b)(2) of the Internal Revenue Code provides in part that, "A declaratory judgment or decree under this section shall not be issued in any proceeding unless the Tax Court, the Court of Claims, or the district court of the United States for the District of Columbia determines that the organization involved has exhausted administrative remedies available to it within the Internal Revenue Service."

If this determination letter becomes a final determination, we will notify the appropriate State Officials, as required by section 6104(c) of the Code, that based on the information we have, we are unable to recognize you as an organization of the type described in Code section 501(c)(3).

If you agree with these conclusions or do not wish to file a written protest, please sign and return Form 6018 in the enclosed self-addressed envelope as soon as possible.

If you have any further questions, please contact the person whose name and telephone number are shown at the beginning of this letter.

Sincerely yours,

[REDACTED]
District Director

Enclosures:
Publication 892
Form 6018 (2)